
By: **Chairman, Commerce and Government Matters Committee**
(Departmental - State Police)

Introduced and read first time: January 30, 2002
Assigned to: Commerce and Government Matters

Committee Report: Favorable with amendments
House action: Adopted
Read second time: March 20, 2002

CHAPTER 517

1 AN ACT concerning

2 **Private Detectives, Security Systems Technicians, and Security Guards -**
3 **Licensing - ~~Regulations and Fees~~ Regulation by the Department of State**
4 **Police**

5 FOR the purpose of altering the circumstances under which, and the persons to
6 whom, certain private detective licensure and certification information may be
7 divulged by the Department of State Police; altering certain bond and insurance
8 requirements for private detectives under certain circumstances; altering the
9 application process and establishing a certain renewal process and a certain
10 renewal fee for private detectives; altering certain ~~application and fee~~
11 requirements license renewal and registration renewal processes for certain
12 persons engaged in providing certain security services; ~~requiring that certain~~
13 ~~professional liability insurance be maintained~~; establishing certain fines and
14 penalties for violations by security systems technicians of certain regulations;
15 requiring private detectives to renew certain licenses; requiring the ~~Secretary~~
16 Department of ~~the~~ State Police, by regulation, to stagger certain terms of
17 certifications, registrations, and licenses of certain private detectives, security
18 systems technicians, and security guards; ~~repealing certain residency~~
19 ~~requirements~~; authorizing the ~~Secretary~~ Department of the State Police to
20 waive background checks for certain security systems technicians under certain
21 circumstances; altering the application process and bond and insurance
22 requirements for certain security guards; requiring certain security guards to
23 display certain clearance cards under certain circumstances; making stylistic
24 changes; and generally relating to private detectives, security guards, and
25 security systems technicians and the regulatory authority of the ~~Secretary~~
26 Department of ~~the~~ State Police.

1 BY repealing and reenacting, with amendments,
2 Article - Business Occupations and Professions
3 Section 13-203, 13-304, 13-306, 13-309, 13-313, 13-403, 13-602, 13-604,
4 18-309, 18-3A-09, 18-401, 19-304, 19-306, 19-308, 19-309, 19-310,
5 19-311, 19-313, 19-407, 19-502, and 19-504
6 Annotated Code of Maryland
7 (2000 Replacement Volume and 2001 Supplement)

8 BY repealing
9 Article - Business Occupations and Professions
10 Section 13-603, 18-307, 18-3A-07, and 19-503
11 Annotated Code of Maryland
12 (2000 Replacement Volume and 2001 Supplement)

13 BY adding to
14 Article - Business Occupations and Professions
15 Section 13-404.1, 18-307, and 18-3A-07
16 Annotated Code of Maryland
17 (2000 Replacement Volume and 2001 Supplement)

18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
19 MARYLAND, That the Laws of Maryland read as follows:

20 **Article - Business Occupations and Professions**

21 13-203.

22 The Secretary and all members of the Department of State Police:

23 (1) shall treat as confidential any information obtained through an
24 investigation of an applicant for a license or for certification under this title; and

25 (2) unless required by a court order OR SUBPOENA, may not divulge to a
26 person who is not a member of the Department of State Police OR A MEMBER OF ANY
27 OTHER LAW ENFORCEMENT AGENCY THAT IS CONDUCTING AN OFFICIAL
28 INVESTIGATION any information obtained through an investigation of an applicant
29 for a license or for certification under this title.

30 13-304.

31 (a) (1) An applicant for a license shall:

32 (i) submit to the Secretary an application on the form that the
33 Secretary provides;

34 (ii) submit the documents required under this section; and

1 (iii) pay to the Secretary the fees required under subsection (b) of
2 this section.

3 (2) If the applicant is a firm, the representative member shall complete
4 the application form and otherwise be responsible for the firm's compliance with this
5 section.

6 (b) (1) An applicant for a license shall pay to the Secretary an application
7 fee of:

8 (i) \$200, if the applicant is an individual; or

9 (ii) \$375, if the applicant is a firm.

10 (2) (i) As part of the application for a license, the applicant shall
11 submit to the Secretary:

12 1. a complete set of the applicant's legible fingerprints taken
13 on standard fingerprint cards; and

14 2. payment for the cost of the fingerprint card record checks.

15 (ii) If the applicant is a firm, the applicant shall pay the cost of the
16 fingerprint card record checks for each firm member.

17 (c) (1) If the applicant is an individual, the application form provided by the
18 Secretary shall require:

19 (i) the name of the applicant;

20 (ii) the age of the applicant;

21 (iii) the address of the applicant; and

22 (iv) the current and previous employment of the applicant.

23 (2) If the applicant is a firm, the application form provided by the
24 Secretary shall require:

25 (i) a list of all of the firm members; and

26 (ii) for each firm member, the same information required regarding
27 an individual applicant under paragraph (1) of this subsection.

28 (3) For all applicants, the application form shall require:

29 (i) the address of the applicant's proposed principal place of
30 business and of each proposed branch office;

31 (ii) any trade or fictitious name that the applicant intends to use
32 while conducting the business of the private detective agency;

1 (iii) the submission of a facsimile of any trademark that the
2 applicant intends to use while conducting the business of the private detective
3 agency; and

4 (iv) as the Secretary considers appropriate, any other information to
5 assist in the evaluation of:

- 6 1. an individual applicant; or
- 7 2. if the applicant is a firm, any firm member.

8 (d) The application form provided by the Secretary shall contain a statement
9 advising the applicant that willfully making a false statement on an application is a
10 misdemeanor, subject to a fine or imprisonment or both, as provided under §§ 13-705
11 and 13-707 of this title.

12 (e) (1) If the applicant is an individual, the application form shall be signed,
13 under oath, by the individual.

14 (2) If the applicant is a firm, the application form shall be signed, under
15 oath, by the representative member, as the representative member, and by all the
16 other firm members.

17 (f) (1) [(i)] If the applicant is an individual, the application shall be
18 accompanied by at least [5 written recommendations] THREE NAMES OF
19 INDIVIDUALS WHO CAN ATTEST TO THE CHARACTER of the [individual] APPLICANT.

20 (2) [(ii)] If the applicant is a firm, the application shall be accompanied
21 by at least [5 written recommendations of each firm member] THREE NAMES OF
22 INDIVIDUALS WHO CAN ATTEST TO THE CHARACTER OF EACH FIRM MEMBER.

23 [(2)] Each recommendation shall be signed, under oath, by a reputable
24 citizen who owns property in the county where the individual applicant or firm
25 member resides or where the business of the private detective agency is to be
26 conducted.

27 (g) An applicant for a license shall submit with the application form a bond in
28 accordance with the requirements of § 13-603 of this title.]

29 [(h)] (G) An applicant for a license who intends to employ at least 5
30 individuals as private detectives shall submit with the application proof of
31 ~~PROFESSIONAL COMMERCIAL GENERAL~~ liability insurance, INCLUDING ERRORS AND
32 OMISSIONS AND COMPLETED OPERATIONS WITH A \$1,000,000 TOTAL AGGREGATE
33 ~~MINIMUM COVERAGE~~, as required under § 13-604 of this title.

34 [(i)] (H) In addition to meeting the other requirements of this section, a
35 nonresident applicant shall submit a consent and any related document, as required
36 by § 13-605 of this title.

1 13-306.

2 (a) (1) The Secretary shall issue a license to each applicant who meets the
3 requirements of this subtitle.

4 (2) The Secretary shall issue an agency license certificate to each
5 licensed private detective agency and a branch office certificate for each proposed
6 branch office.

7 (b) (1) The Secretary shall include on each agency license certificate that
8 the Secretary issues:

9 (i) the full name of the licensee;

10 (ii) the location of the principal office and of each branch office of
11 the licensed private detective agency;

12 (iii) the date of issuance of the license;

13 (iv) the date on which the license expires; and

14 (v) the name and address of the representative member, if the
15 licensee is a firm.

16 (2) The Secretary shall include on each branch office certificate:

17 (i) the full name of the licensee;

18 (ii) the location of the principal office of the licensee and of the
19 agency branch office for which the certificate is issued;

20 (iii) the date of issuance of the branch office certificate;

21 (iv) the date on which the license of the licensee expires; and

22 (v) the name and AGENCY address of the representative member, if
23 the licensee is APPLYING ON BEHALF OF a firm.

24 13-309.

25 (a) As a condition for license renewal, a licensee shall submit to the Secretary
26 with the renewal application:

27 (1) a certification or, as authorized by the Secretary, other
28 documentation that the licensed private detective agency has paid, for the past [2] 3
29 years, all withholding and Social Security taxes;

30 (2) a certification or, as authorized by the Secretary, other
31 documentation that the licensed private detective agency has paid, for the past [2] 3
32 years, all other obligations payable for the employees of the licensed private detective
33 agency to the State or the federal government;

1 (3) a certificate from an insurance carrier or, as authorized by the
2 Secretary, other documentation showing that the licensed private detective agency
3 has in effect workers' compensation insurance for its covered employees, as defined in
4 § 9-101 of the Labor and Employment Article; and

5 (4) a receipt from the Comptroller's Office or, as authorized by the
6 Secretary, other documentation showing that the State income tax of the licensed
7 private detective agency has been paid for the past [2] 3 years.

8 (b) If the Secretary does not receive the documents required under subsection
9 (a) of this section at least 15 days before the license expiration date, the Secretary
10 shall charge the licensee a late fee of \$10 per day until the documents are received.

11 (c) The Secretary may inspect any of the business records of a licensee that
12 relate to any matter that is subject to certification or documentation under this
13 section.

14 13-313.

15 (a) Subject to the hearing provisions of § 13-315 of this subtitle, the Secretary
16 may deny a license to any applicant, reprimand any licensee, fine any licensee or
17 agency, or suspend or revoke a license if the applicant or licensee:

18 (1) fraudulently or deceptively obtains or attempts to obtain a license for
19 the applicant or licensee or for another;

20 (2) fraudulently or deceptively uses a license;

21 (3) aids an individual to obtain or to attempt to obtain fraudulently or
22 deceptively certification under this title as a private detective;

23 (4) while not licensed, solicits to engage in or willfully engages in a
24 business providing private detective services in the State;

25 (5) while not licensed, willfully advertises:

26 (i) as a private detective agency; or

27 (ii) the provision of private detective services;

28 (6) willfully makes a false statement or misrepresentation that an
29 individual is or was in the employ of the applicant or licensee;

30 (7) willfully makes a false statement or misrepresentation in any
31 renewal application, in any annual statement, or in any other report or document that
32 the Secretary requires to be submitted;

33 (8) fails to notify the Secretary about any change among the firm
34 members or in the address of the principal office or any branch office of a licensee;

35 (9) [fails to maintain a bond as required by § 13-603 of this title;

1 (10) fails to maintain the liability insurance required under § 13-604 of
2 this title; or

3 [(11)] (10) violates any other provision of this title ~~OR ANY REGULATION~~
4 ~~ADOPTED BY THE SECRETARY UNDER THIS TITLE.~~

5 (b) For purposes of this section, an act or omission of any principal, agent, or
6 employee of an applicant or licensee may be construed to be the act or omission of the
7 applicant or licensee, as well as of the principal, agent, or employee.

8 13-403.

9 To qualify for certification as a private detective, an employee of or applicant for
10 employment with a licensed private detective agency shall:

11 (1) meet the standards set by the Secretary;

12 (2) submit to the Secretary:

13 (i) a sworn application on the form the Secretary provides; and

14 (ii) 2 sets of fingerprint cards marked with the applicant's
15 fingerprints; and

16 (3) pay to the Secretary:

17 (i) an application fee of [\$50] \$15; and

18 (ii) payment for the cost of the fingerprint card record checks.

19 13-404.1.

20 (A) BY REGULATION, THE SECRETARY SHALL STAGGER THE TERMS OF THE
21 CERTIFICATIONS UNDER THIS SUBTITLE.

22 (B) UNLESS A CERTIFICATION IS RENEWED FOR A 3-YEAR TERM AS PROVIDED
23 IN THIS SECTION, THE CERTIFICATION EXPIRES ON THE DATE THE SECRETARY SETS.

24 (C) AT LEAST 90 DAYS BEFORE A CERTIFICATION EXPIRES, THE APPLICANT
25 SHALL DELIVER TO THE SECRETARY:

26 (1) A RENEWAL APPLICATION FORM;

27 (2) THE AMOUNT OF THE RENEWAL FEE; AND

28 (3) THE AMOUNT OF ANY LATE FEE, AS DETERMINED BY THE
29 SECRETARY.

30 (D) AN INDIVIDUAL PERIODICALLY MAY RENEW THE CERTIFICATION FOR AN
31 ADDITIONAL 3-YEAR TERM, IF THE INDIVIDUAL:

- 1 (1) IS OTHERWISE ENTITLED TO BE CERTIFIED;
- 2 (2) PAYS TO THE SECRETARY:
- 3 (I) A RENEWAL FEE OF \$10;
- 4 ~~(II) PAYMENT FOR THE COST OF A FINGERPRINT CARD RECORD~~
5 ~~CHECK BY THE FEDERAL BUREAU OF INVESTIGATION; AND~~
- 6 ~~(III) ANY LATE FEE REQUIRED UNDER THIS SUBTITLE; AND~~
- 7 (3) ~~SUBMITS TO THE SECRETARY A RENEWAL APPLICATION ON THE~~
8 ~~FORM THE SECRETARY PROVIDES.~~
- 9 (II) THE FEE AUTHORIZED UNDER § 10-221(B)(7) OF THE CRIMINAL
10 PROCEDURE ARTICLE FOR ACCESS TO MARYLAND CRIMINAL HISTORY RECORDS;
- 11 (III) THE MANDATORY PROCESSING FEE REQUIRED BY THE
12 FEDERAL BUREAU OF INVESTIGATION FOR A NATIONAL CRIMINAL HISTORY
13 RECORDS CHECK; AND
- 14 (IV) ANY LATE FEE REQUIRED UNDER THIS SUBTITLE; AND
- 15 (3) SUBMITS TO THE SECRETARY:
- 16 (I) A RENEWAL APPLICATION ON THE FORM THE SECRETARY
17 PROVIDES; AND
- 18 (II) TWO COMPLETE SETS OF THE APPLICANT'S LEGIBLE
19 FINGERPRINTS TAKEN ON FORMS APPROVED BY THE DIRECTOR OF THE CENTRAL
20 REPOSITORY AND THE DIRECTOR OF THE FEDERAL BUREAU OF INVESTIGATION.
- 21 (E) IN ACCORDANCE WITH §§ 10-201 THROUGH 10-234 OF THE CRIMINAL
22 PROCEDURE ARTICLE, THE CENTRAL REPOSITORY SHALL FORWARD TO THE
23 APPLICANT AND THE DEPARTMENT OF STATE POLICE A PRINTED STATEMENT OF
24 THE APPLICANT'S CRIMINAL HISTORY RECORDS INFORMATION.
- 25 ~~(E)~~ (F) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, IF A
26 COMPLETE APPLICATION FOR RENEWAL OF CERTIFICATION AS REQUIRED UNDER
27 THIS SUBTITLE IS NOT RECEIVED BY THE SECRETARY AT LEAST 30 CALENDAR DAYS
28 BEFORE THE CERTIFICATION EXPIRES, THE SECRETARY SHALL ASSESS A LATE FEE
29 OF \$5 PER DAY UNTIL THE APPLICATION IS RECEIVED BY THE SECRETARY, UNLESS
30 THE APPLICANT DID NOT MAKE TIMELY RENEWAL BECAUSE OF INCAPACITY,
31 HOSPITALIZATION, BEING CALLED TO ACTIVE MILITARY DUTY, OR OTHER HARDSHIP.
- 32 (2) THE TOTAL AMOUNT OF LATE FEES ASSESSED UNDER THIS
33 SUBSECTION MAY NOT EXCEED \$150.
- 34 (3) THE SECRETARY MAY NOT CERTIFY ANY APPLICANT UNDER THIS
35 TITLE IF THE APPLICANT HAS OUTSTANDING LATE FEE OBLIGATIONS.

1 ~~(F)~~ (G) (1) THE SECRETARY SHALL RENEW THE CERTIFICATION OF EACH
2 INDIVIDUAL WHO MEETS THE REQUIREMENTS OF THIS SECTION.

3 (2) WITHIN 5 DAYS AFTER THE SECRETARY REFUSES TO RENEW THE
4 CERTIFICATION OF AN INDIVIDUAL AS A PRIVATE DETECTIVE, THE SECRETARY
5 SHALL SEND WRITTEN NOTICE OF THE REFUSAL TO THE INDIVIDUAL WHO
6 SUBMITTED THE RENEWAL APPLICATION.

7 13-602.

8 (a) The offices of each private detective agency shall be supervised by an
9 individual who:

10 (1) [is a resident of the State; and

11 (2) (i)] holds, as an individual, the license of the private detective
12 agency; or

13 [(ii)] (2) is the representative member of the private detective
14 agency appointed under § 13-302(b) of this title.

15 (b) If a private detective agency is a firm, the agency shall notify the Secretary
16 about:

17 (1) the identity of the individual serving as the representative member of
18 the agency; and

19 (2) each vacancy in that position.

20 (c) (1) Except as provided in paragraph (2) of this subsection, a private
21 detective agency shall appoint a representative member within 90 days after a
22 vacancy occurs in the position.

23 (2) If the vacancy is caused by the death of or an incapacitating injury to
24 the representative member, the private detective agency shall appoint a replacement
25 within 180 days after the vacancy occurs.

26 (d) If a licensed private detective agency fails to appoint a representative
27 member as required under subsection (c) of this section, the license of the private
28 detective agency:

29 (1) is suspended automatically; and

30 (2) shall remain suspended until the agency complies with the
31 requirements.

32 (e) The Secretary may adopt regulations to carry out this section.

1 [13-603.

2 (a) (1) Subject to this section, an applicant for a license shall execute a bond
3 that is conditioned on the faithful and honest conduct of the applicant and runs to the
4 State for the benefit of any person injured by any wrongful act of the applicant that is
5 willful or malicious.

6 (2) The applicant shall submit the bond to the Secretary with the license
7 application.

8 (b) (1) The amount of the bond required under subsection (a) of this section
9 shall be at least:

10 (i) \$3,000, if the applicant is an individual; or

11 (ii) \$5,000, if the applicant is a firm.

12 (2) The total liability of the surety to all insured persons under the bond
13 may not exceed the penal sum of the bond.

14 (c) A licensee shall keep in effect at all times a bond that meets the
15 requirements of this section.

16 (d) (1) If a licensee's bond is cancelled, forfeited, or terminated by the surety,
17 the surety immediately shall notify the Secretary.

18 (2) If a surety fails to notify the Secretary as required by this subsection,
19 the bond shall continue in effect until the notice is given to the Secretary.]

20 13-604.

21 (a) A private detective agency that employs 5 or more individuals as private
22 detectives ~~OR A FIRM~~ shall:

23 (1) maintain [general] ~~PROFESSIONAL COMMERCIAL GENERAL~~ liability
24 insurance ~~in an amount not less than \$100,000~~ \$1,000,000, INCLUDING ERRORS AND
25 OMISSIONS COVERAGE AND COMPLETED OPERATIONS WITH A \$1,000,000 TOTAL
26 AGGREGATE; and

27 (2) submit proof of the required insurance to the Secretary.

28 (b) (1) If an applicant for a license intends to employ 5 or more individuals
29 as private detectives, the applicant shall submit proof of the liability insurance
30 required under subsection (a) of this section to the Secretary with the license
31 application.

32 (2) The Secretary may not issue a license to an applicant to whom the
33 insurance requirements of this section would apply unless the applicant submits
34 proof of the insurance.

1 (c) If the insurance required for a private detective agency under this section
2 is cancelled, forfeited, or otherwise terminated, both the private detective agency and
3 the insurer shall notify the Secretary.

4 (D) IF A PRIVATE DETECTIVE AGENCY FAILS TO MAINTAIN THE LIABILITY
5 INSURANCE REQUIRED UNDER THIS SECTION, THE LICENSE OF THE PRIVATE
6 DETECTIVE AGENCY:

7 (1) IS SUSPENDED AUTOMATICALLY;

8 (2) SHALL REMAIN SUSPENDED UNTIL THE AGENCY COMPLIES WITH
9 THE REQUIREMENTS UNDER SUBSECTION (A) OF THIS SECTION; AND

10 (3) MAY NOT BE REINSTATED UNTIL THE AGENCY SUBMITS PROOF OF
11 THE REQUIRED INSURANCE TO THE SECRETARY.

12 [18-307.

13 (a) Unless a license is renewed for a 2-year term as provided in this section,
14 the license expires on the first April 1 that comes:

15 (1) after the effective date of the license; and

16 (2) in an odd-numbered year.

17 (b) At least 1 month before a license expires, the Secretary shall mail to the
18 licensee, at the last known address of the licensee:

19 (1) a renewal application form; and

20 (2) a notice that states:

21 (i) the date on which the current license expires;

22 (ii) that the Secretary must receive the renewal application and all
23 required fees and documents at least 15 days before the license expiration date for the
24 renewal to be issued and mailed before the license expires;

25 (iii) the amount of the renewal fee;

26 (iv) that, if the renewal application and all required fees and
27 documents are not received at least 15 days before the license expiration date, the
28 licensee shall be charged a fee of \$10 per day until the complete renewal application
29 and fees are received; and

30 (v) that, if the licensee fails to submit the renewal application and
31 all required fees and documents by the expiration date of the license, the licensee
32 shall be considered closed and may not conduct business.

33 (c) (1) Before the license expires, the licensee periodically may renew it for
34 an additional 2-year term, if the licensee:

- 1 (i) otherwise is entitled to be licensed;
- 2 (ii) pays to the Secretary a renewal fee of \$100 which shall include
3 the cost of the Maryland and national criminal records check or the fee provided in
4 subsection (e) of this section, if applicable; and
- 5 (iii) submits to the Secretary:
- 6 1. a renewal application on the form that the Secretary
7 provides;
- 8 2. A. a set of legible fingerprints of the licensee on forms
9 approved by the Criminal Justice Information System Central Repository and the
10 Director of the Federal Bureau of Investigation; or
- 11 B. if the licensee is a firm, a set of legible fingerprints for
12 each firm member as required under item 1 of this subparagraph;
- 13 3. satisfactory evidence of compliance with any other
14 requirements set under this section for license renewal; and
- 15 4. any late fee required under this section.
- 16 (2) If the licensee is a firm, the licensee shall pay the cost of the
17 fingerprint card records check for each firm member.
- 18 (d) Except as provided in subsection (e) of this section, before renewing a
19 license, the Secretary shall conduct a State and national criminal records check for
20 each licensee, or each firm member if the applicant is a firm, who applies for a
21 renewal of a license.
- 22 (e) The Secretary may waive the State and national criminal records check
23 required under subsection (d) of this section for a licensee who was issued a license
24 under § 18-303(g) of this subtitle if the licensee:
- 25 (1) provides adequate evidence that:
- 26 (i) the license of the licensee issued by another state was renewed
27 by that other state within 1 year of the expiration date of the license issued under this
28 subtitle; and
- 29 (ii) the renewal occurred after the licensee submitted to a State and
30 national criminal records check; and
- 31 (2) pays to the Secretary a processing fee of \$100.
- 32 (f) If the State and national criminal records check required under subsection
33 (d) of this section is not completed before a license expires, the Secretary shall issue a
34 temporary license to a licensee who otherwise meets the requirements of this section.

1 (g) A temporary license issued under subsection (f) of this section shall expire
2 at the earlier of:

3 (1) the completion of the State and national criminal records check of the
4 licensee; or

5 (2) the renewal or the denial of the license.

6 (h) If the Secretary does not receive the renewal application and all fees and
7 documents required under subsection (c) of this section at least 15 days before the
8 license expiration date, the Secretary shall charge the licensee a late fee of \$10 per
9 day until the renewal application and all required fees and documents are received.

10 (i) The Secretary shall renew the license of each licensee who meets the
11 requirements of this section.]

12 18-307.

13 (A) BY REGULATION, THE SECRETARY SHALL STAGGER THE TERMS OF THE
14 LICENSES.

15 (B) UNLESS A LICENSE IS RENEWED FOR A 3-YEAR TERM AS PROVIDED IN
16 THIS SECTION, THE LICENSE EXPIRES ON THE DATE THE SECRETARY SETS.

17 (C) AT LEAST 1 MONTH BEFORE A LICENSE EXPIRES, THE SECRETARY SHALL
18 MAIL TO THE AGENCY, AT THE LAST KNOWN ADDRESS OF THE AGENCY:

19 (1) A RENEWAL APPLICATION FORM; AND

20 (2) A NOTICE THAT STATES:

21 (I) THE DATE ON WHICH THE CURRENT LICENSE EXPIRES;

22 (II) THAT THE SECRETARY MUST RECEIVE THE RENEWAL
23 APPLICATION AND PROOF OF INSURANCE OR BONDING AS REQUIRED IN § 18-401 OF
24 THIS TITLE AT LEAST 15 DAYS BEFORE THE LICENSE EXPIRATION DATE FOR THE
25 RENEWAL TO BE ISSUED AND MAILED BEFORE THE LICENSE EXPIRES;

26 (III) THE AMOUNT OF THE RENEWAL FEE;

27 (IV) THAT, IF THE COMPLETE RENEWAL APPLICATION AND PROOF
28 OF INSURANCE OR BONDING AS REQUIRED IN § 18-401 OF THIS TITLE ARE NOT
29 RECEIVED AT LEAST 15 DAYS BEFORE THE LICENSE EXPIRATION DATE, A FEE OF \$25
30 PER DAY SHALL BE CHARGED AGAINST THE AGENCY UNTIL THE DAY THE LICENSE
31 EXPIRES, AT WHICH TIME THE AGENCY SHALL BE CONSIDERED CLOSED;

32 (V) THAT AN AGENCY MAY NOT BE ISSUED A LICENSE UNDER THIS
33 TITLE UNTIL ALL OUTSTANDING OBLIGATIONS ARE SATISFIED WITH THE
34 SECRETARY; AND

1 (VI) THAT THE SUBMISSION OF A FALSE STATEMENT IN THE
2 RENEWAL APPLICATION OR THE SUBMISSION OF ALTERED OR FALSE DOCUMENTS
3 THAT ARE OTHERWISE REQUIRED IS CAUSE FOR REVOCATION OF THE AGENCY
4 LICENSE.

5 (D) AN AGENCY PERIODICALLY MAY RENEW THE LICENSE FOR AN
6 ADDITIONAL 3-YEAR TERM, IF THE LICENSE HOLDER:

7 (1) OTHERWISE IS ENTITLED TO BE LICENSED;

8 (2) PAYS TO THE SECRETARY:

9 (I) A RENEWAL FEE OF \$100;

10 (II) ~~THE COST OF A FINGERPRINT CARD RECORD CHECK BY THE~~
11 ~~FEDERAL BUREAU OF INVESTIGATION; AND~~

12 (III) ~~ANY LATE FEE REQUIRED UNDER THIS SUBTITLE; AND~~

13 (3) ~~SUBMITS TO THE SECRETARY:~~

14 (4) ~~A RENEWAL APPLICATION ON THE FORM THAT THE SECRETARY~~
15 ~~PROVIDES; AND~~

16 (II) ~~SATISFACTORY EVIDENCE OF COMPLIANCE WITH ANY OTHER~~
17 ~~REQUIREMENTS UNDER THIS SECTION FOR LICENSE RENEWAL.~~

18 (E) ~~EXCEPT AS PROVIDED IN SUBSECTION (F) OF THIS SECTION, BEFORE~~
19 ~~RENEWING A LICENSE, THE SECRETARY SHALL CONDUCT A NATIONAL CRIMINAL~~
20 ~~RECORDS CHECK FOR EACH LICENSEE WHO APPLIES FOR RENEWAL OF A LICENSE.~~

21 (II) THE FEE AUTHORIZED UNDER § 10-221(B)(7) OF THE CRIMINAL
22 PROCEDURE ARTICLE FOR ACCESS TO MARYLAND CRIMINAL HISTORY RECORDS;

23 (III) THE MANDATORY PROCESSING FEE REQUIRED BY THE
24 FEDERAL BUREAU OF INVESTIGATION FOR A NATIONAL CRIMINAL HISTORY
25 RECORDS CHECK; AND

26 (IV) ANY LATE FEE REQUIRED UNDER THIS SUBTITLE; AND

27 (3) SUBMITS TO THE SECRETARY:

28 (I) A RENEWAL APPLICATION ON THE FORM THE SECRETARY
29 PROVIDES;

30 (II) TWO COMPLETE SETS OF THE APPLICANT'S LEGIBLE
31 FINGERPRINTS TAKEN ON FORMS APPROVED BY THE DIRECTOR OF THE CENTRAL
32 REPOSITORY AND THE DIRECTOR OF THE FEDERAL BUREAU OF INVESTIGATION; AND

33 (III) SATISFACTORY EVIDENCE OF COMPLIANCE WITH ANY OTHER
34 REQUIREMENTS UNDER THIS SECTION FOR RENEWAL OF REGISTRATION.

1 (E) IN ACCORDANCE WITH §§ 10-201 THROUGH 10-234 OF THE CRIMINAL
2 PROCEDURE ARTICLE, THE CENTRAL REPOSITORY SHALL FORWARD TO THE
3 APPLICANT AND THE DEPARTMENT OF STATE POLICE A PRINTED STATEMENT OF
4 THE APPLICANT'S CRIMINAL HISTORY RECORDS INFORMATION.

5 (F) THE SECRETARY MAY WAIVE THE NATIONAL CRIMINAL HISTORY
6 RECORDS CHECK REQUIRED UNDER SUBSECTION ~~(E)~~ (D) OF THIS SECTION FOR AN
7 APPLICANT WHO WAS ISSUED A LICENSE UNDER § 18-303(G) OF THIS SUBTITLE IF
8 THE APPLICANT PAYS TO THE SECRETARY A PROCESSING FEE OF \$100.

9 (G) IF THE RENEWAL APPLICATION WAS SUBMITTED AS REQUIRED IN ~~§ 18-307~~
10 ~~(D) OF THIS SUBTITLE~~ SUBSECTION (D) OF THIS SECTION AND THE NATIONAL
11 CRIMINAL HISTORY RECORDS CHECK REQUIRED UNDER THIS SECTION IS NOT
12 COMPLETED BEFORE THE LICENSEE'S LICENSE EXPIRES, THE SECRETARY SHALL
13 ALLOW THE LICENSEE TO OPERATE IN A TEMPORARY LICENSE STATUS IF THE
14 LICENSEE OTHERWISE MEETS THE REQUIREMENTS OF THIS SECTION.

15 (H) A LICENSEE MAY OPERATE IN A TEMPORARY LICENSE STATUS AT THE
16 TIME OF RENEWAL ONLY IF THE RENEWAL APPLICATION AND ALL REQUIRED
17 DOCUMENTS AND FEES WERE SUBMITTED BY THE EXPIRATION DATE OF THE
18 LICENSE.

19 (I) THE TEMPORARY LICENSE STATUS SHALL EXPIRE AT THE EARLIER OF:

20 (1) THE COMPLETION OF THE NATIONAL CRIMINAL HISTORY RECORDS
21 CHECK OF THE APPLICANT; OR

22 (2) THE RENEWAL OR DENIAL OF THE LICENSE.

23 (J) THE SECRETARY SHALL RENEW THE LICENSE OF EACH APPLICANT WHO
24 MEETS THE REQUIREMENTS OF THIS SECTION.

25 18-309.

26 Subject to the hearing provisions of § 18-310 of this subtitle, the Secretary may
27 deny a license to any applicant, reprimand any licensee, fine a licensee, or suspend or
28 revoke a license if the applicant or licensee, or a firm member or employee of an
29 applicant or licensee that is a firm:

30 (1) fraudulently or deceptively obtains or attempts to obtain a license for
31 the applicant or licensee or for another;

32 (2) fraudulently or deceptively uses a license;

33 (3) has a similar license denied, suspended, or revoked in another
34 jurisdiction;

35 (4) pleads guilty or nolo contendere to or is convicted of a felony, theft
36 offense, or crime of moral turpitude;

1 (5) aids an individual in obtaining or attempting to obtain fraudulently
2 or deceptively licensure under this title as a security systems technician;

3 (6) while not licensed, solicits to engage in or willfully engages in a
4 business providing security systems services;

5 (7) while not licensed, willfully advertises as a security systems
6 technician;

7 (8) willfully makes a false statement or misrepresentation in any
8 renewal application or in any other document that the Secretary requires to be
9 submitted; or

10 (9) violates any other provision of this title OR ANY REGULATION
11 ADOPTED BY THE SECRETARY UNDER THIS TITLE.

12 [18-3A-07.

13 (a) Unless a registration is renewed for a 2-year term as provided in this
14 section, the registration expires on April 1 of the first odd-numbered year after the
15 effective date of the registration.

16 (b) At least 1 month before a registration expires, the Secretary shall mail to
17 the registrant, at the last known address of the registrant:

18 (1) a renewal application form; and

19 (2) a notice that states:

20 (i) the date on which the current registration expires;

21 (ii) the date by which the Secretary must receive the renewal
22 application for the renewal to be issued and mailed before the registration expires;
23 and

24 (iii) the amount of the renewal fee.

25 (c) Before the registration expires, the registrant periodically may renew it for
26 an additional 2-year term, if the registrant:

27 (1) otherwise is entitled to be registered;

28 (2) pays to the Secretary a renewal fee that is the higher of \$15 or an
29 amount the Secretary determines based on actual processing costs;

30 (3) pays the cost of any background checks;

31 (4) if a national criminal records check is required, pays to the Secretary
32 or to the licensed security systems agency which employs or intends to employ the
33 registrant as a security systems technician, for forwarding to the Secretary, the

1 mandatory processing fee required by the Federal Bureau of Investigation for the
2 records check; and

3 (5) submits to the Secretary:

4 (i) a renewal application on the form that the Secretary provides;

5 (ii) a set of legible fingerprints of the registrant on forms approved
6 by the Criminal Justice Information System Central Repository and the Director of
7 the Federal Bureau of Investigation; and

8 (iii) satisfactory evidence of compliance with any other
9 requirements under this section for renewal of registration.

10 (d) Except as provided in subsection (e) of this section, the Secretary shall
11 conduct a national criminal records check for each registrant who applies for a
12 renewal of registration.

13 (e) The Secretary may waive the national criminal records check required
14 under subsection (d) of this section for a registrant who was registered under this
15 subtitle, if the registrant:

16 (1) provides adequate evidence that:

17 (i) the registrant's license or registration issued by another state
18 was renewed by that other state within 1 year of the expiration date of the license or
19 registration issued under this title; and

20 (ii) the renewal occurred after the registrant submitted to a
21 national criminal records check; and

22 (2) pays to the Secretary a processing fee of \$15.

23 (f) If the national criminal records check required under subsection (d) of this
24 section is not completed before a registration expires, the Secretary shall issue a
25 temporary registration to a registrant who otherwise meets the requirement of this
26 section.

27 (g) A temporary registration issued under subsection (f) of this section shall
28 expire at the earlier of:

29 (1) the completion of the national criminal records check of the
30 registrant; and

31 (2) the renewal or the denial of the renewal of the registration.

32 (h) The Secretary shall renew the registration of each registrant who meets
33 the requirements of this section.]

1 18-3A-07.

2 (A) BY REGULATION, THE SECRETARY SHALL STAGGER THE TERMS OF THE
3 REGISTRATIONS UNDER THIS SUBTITLE.

4 (B) UNLESS A REGISTRATION IS RENEWED FOR A 3-YEAR TERM AS PROVIDED
5 IN THIS SECTION, THE REGISTRATION EXPIRES ON THE DATE THE SECRETARY SETS.

6 (C) AT LEAST 90 DAYS BEFORE A REGISTRATION EXPIRES, THE APPLICANT
7 SHALL DELIVER TO THE SECRETARY:

8 (1) A RENEWAL APPLICATION FORM;

9 (2) THE AMOUNT OF THE RENEWAL FEE; AND

10 (3) THE AMOUNT OF ANY LATE FEE, AS DETERMINED BY THE
11 SECRETARY.

12 (D) AN INDIVIDUAL PERIODICALLY MAY RENEW A REGISTRATION FOR AN
13 ADDITIONAL 3-YEAR TERM IF THE INDIVIDUAL:

14 (1) OTHERWISE IS ENTITLED TO BE REGISTERED;

15 (2) PAYS TO THE SECRETARY:

16 (I) A RENEWAL FEE THAT IS THE HIGHER OF \$15 OR AN AMOUNT
17 WHICH THE SECRETARY DETERMINES BASED ON THE ACTUAL PROCESSING COSTS;

18 ~~(II) PAYMENT FOR THE COST OF A FINGERPRINT CARD RECORD
19 CHECK BY THE FEDERAL BUREAU OF INVESTIGATION; AND~~

20 ~~(III) ANY LATE FEE REQUIRED UNDER THIS SUBTITLE; AND~~

21 ~~(3) SUBMITS TO THE SECRETARY;~~

22 ~~(4) A RENEWAL APPLICATION ON THE FORM THE SECRETARY
23 PROVIDES; AND~~

24 ~~(II) SATISFACTORY EVIDENCE OF COMPLIANCE WITH ANY OTHER
25 REQUIREMENTS UNDER THIS SECTION FOR RENEWAL OF REGISTRATION.~~

26 (II) THE FEE AUTHORIZED UNDER § 10-221(B)(7) OF THE CRIMINAL
27 PROCEDURE ARTICLE FOR ACCESS TO MARYLAND CRIMINAL HISTORY RECORDS;

28 (III) THE MANDATORY PROCESSING FEE REQUIRED BY THE
29 FEDERAL BUREAU OF INVESTIGATION FOR A NATIONAL CRIMINAL HISTORY
30 RECORDS CHECK; AND

31 (IV) ANY LATE FEE REQUIRED UNDER THIS SUBTITLE; AND

32 (3) SUBMITS TO THE SECRETARY;

1 (I) A RENEWAL APPLICATION ON THE FORM THE SECRETARY
2 PROVIDES:

3 (II) TWO COMPLETE SETS OF THE APPLICANT'S LEGIBLE
4 FINGERPRINTS TAKEN ON FORMS APPROVED BY THE DIRECTOR OF THE CENTRAL
5 REPOSITORY AND THE DIRECTOR OF THE FEDERAL BUREAU OF INVESTIGATION; AND

6 (III) SATISFACTORY EVIDENCE OF COMPLIANCE WITH ANY OTHER
7 REQUIREMENTS UNDER THIS SECTION FOR RENEWAL OF REGISTRATION.

8 (E) IN ACCORDANCE WITH §§ 10-201 THROUGH 10-234 OF THE CRIMINAL
9 PROCEDURE ARTICLE, THE CENTRAL REPOSITORY SHALL FORWARD TO THE
10 APPLICANT AND THE DEPARTMENT OF STATE POLICE A PRINTED STATEMENT OF
11 THE APPLICANT'S CRIMINAL HISTORY RECORDS INFORMATION.

12 ~~(E)~~ (F) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, IF A
13 COMPLETE APPLICATION FOR RENEWAL OF REGISTRATION AS REQUIRED UNDER
14 THIS SUBTITLE IS NOT RECEIVED BY THE SECRETARY AT LEAST 30 CALENDAR DAYS
15 BEFORE THE CERTIFICATION EXPIRES, THE SECRETARY SHALL ASSESS A LATE FEE
16 OF \$5 PER DAY UNTIL THE APPLICATION IS RECEIVED BY THE SECRETARY.

17 (2) THE TOTAL AMOUNT OF LATE FEES ASSESSED UNDER THIS
18 SUBSECTION MAY NOT EXCEED \$150.

19 (3) THE SECRETARY MAY NOT REGISTER ANY APPLICANT UNDER THIS
20 TITLE IF THE APPLICANT HAS OUTSTANDING LATE FEE OBLIGATIONS.

21 ~~(F)~~ ~~EXCEPT AS PROVIDED IN SUBSECTION (G) OF THIS SECTION, BEFORE~~
22 ~~RENEWING A REGISTRATION, THE SECRETARY SHALL CONDUCT A NATIONAL~~
23 ~~CRIMINAL RECORDS CHECK FOR EACH REGISTRANT WHO APPLIES FOR RENEWAL OF~~
24 ~~A REGISTRATION.~~

25 (G) THE SECRETARY MAY WAIVE THE NATIONAL CRIMINAL HISTORY
26 RECORDS CHECK REQUIRED UNDER SUBSECTION ~~(F)~~ (D) OF THIS SECTION FOR AN
27 APPLICANT WHO WAS REGISTERED UNDER § 18-3A-03 OF THIS SUBTITLE IF THE
28 APPLICANT PAYS TO THE SECRETARY A PROCESSING FEE OF \$15.

29 (H) IF THE RENEWAL APPLICATION WAS SUBMITTED AS REQUIRED UNDER
30 THIS SECTION AND THE NATIONAL CRIMINAL HISTORY RECORDS CHECK REQUIRED
31 UNDER THIS SECTION IS NOT COMPLETED BEFORE A REGISTRATION EXPIRES, THE
32 SECRETARY SHALL ALLOW THE APPLICANT TO OPERATE IN A TEMPORARY
33 REGISTRATION STATUS IF THE APPLICANT OTHERWISE MEETS THE REQUIREMENTS
34 OF THIS SECTION.

35 (I) THE TEMPORARY REGISTRATION STATUS SHALL EXPIRE AT THE EARLIER
36 OF:

37 (1) THE COMPLETION OF THE NATIONAL CRIMINAL HISTORY RECORDS
38 CHECK OF THE APPLICANT; OR

1 (2) THE RENEWAL OR DENIAL OF THE REGISTRATION.

2 (J) (1) THE SECRETARY SHALL RENEW THE REGISTRATION OF EACH
3 INDIVIDUAL WHO MEETS THE REQUIREMENTS OF THIS SECTION.

4 (2) WITHIN 5 DAYS AFTER THE SECRETARY REFUSES TO RENEW THE
5 REGISTRATION OF AN INDIVIDUAL UNDER THIS TITLE, THE SECRETARY SHALL SEND
6 WRITTEN NOTICE OF THE REFUSAL TO THE INDIVIDUAL WHO SUBMITTED THE
7 RENEWAL APPLICATION.

8 18-3A-09.

9 Subject to the hearing provisions of § 18-3A-10 of this subtitle, the Secretary
10 may deny registration to any applicant, reprimand any registrant, fine any
11 registrant, or suspend or revoke a registration if the applicant or registrant:

12 (1) fraudulently or deceptively obtains or attempts to obtain a
13 registration for the applicant or registrant or for another;

14 (2) fraudulently or deceptively uses a registration;

15 (3) has a similar license or registration denied, suspended, or revoked in
16 another jurisdiction;

17 (4) pleads guilty or nolo contendere to or is convicted of a felony, theft
18 offense, or crime of moral turpitude;

19 (5) aids an individual in obtaining or attempting to obtain fraudulently
20 or deceptively registration under this title;

21 (6) while not registered as a security systems technician and employed
22 by or under contract with a security systems agency licensed under this title, solicits
23 to engage in or willfully engages in personally providing security systems services;

24 (7) while not registered as a security systems technician and employed
25 by or under contract with a security systems agency licensed under this title, willfully
26 advertises as a security systems technician;

27 (8) willfully makes a false statement or misrepresentation in any
28 renewal application or in any other document that the Secretary requires to be
29 submitted; or

30 (9) violates any other provision of this title OR ANY REGULATION
31 ADOPTED BY THE SECRETARY UNDER THIS TITLE.

32 18-401.

33 (a) In order to obtain a license, an applicant shall:

34 (1) (i) execute a fidelity bond as provided in subsection (c) of this
35 section; or

1 (ii) maintain general liability insurance as provided in subsection
2 (d) of this section; and

3 (2) maintain in an office in the State, documents or other records that
4 are made in the State or relate to a service performed in the State AND MAKE THOSE
5 RECORDS AVAILABLE FOR INSPECTION BY THE SECRETARY FOR COMPLIANCE WITH
6 THIS TITLE.

7 (b) The Secretary may not issue or renew a license or registration unless the
8 applicant, licensee, or registrant submits proof of compliance with subsection (a) of
9 this section.

10 (c) (1) The fidelity bond required by subsection (a)(1) of this section shall
11 cover all individuals who:

12 (i) are licensed to provide security systems services, are registered
13 as security systems technicians, or have access to circumventational information; or

14 (ii) are applicants for a license or registration.

15 (2) The fidelity bond shall be used for the benefit of any person injured
16 on the premises of a consumer of security systems services by any fraudulent or
17 dishonest act of a licensee, a security systems technician, or other individual who has
18 access to circumventational information that is willful or malicious.

19 (3) The applicant for a license or registration shall submit a copy of the
20 fidelity bond to the Secretary with the license or registration application.

21 (4) (i) The amount of the fidelity bond required under subsection (c)(1)
22 of this section shall be at least \$50,000.

23 (ii) The total liability of the surety to all insured persons under the
24 fidelity bond may not exceed the sum of the fidelity bond.

25 (5) (i) If an employer's fidelity bond is canceled, forfeited, or
26 terminated by the surety, the surety shall immediately notify the Secretary.

27 (ii) If a surety fails to notify the Secretary as required by this
28 paragraph, the fidelity bond shall continue in effect until the notice is given to the
29 Secretary.

30 (d) (1) General liability insurance required by subsection (a)(1)(ii) of this
31 section shall be in the amount of at least \$50,000.

32 (2) An applicant for a license or registration shall submit proof of
33 insurance meeting the requirements of paragraph (1) of this subsection to the
34 Secretary with the application.

35 (3) If the general liability insurance required under this section is
36 canceled, the insured shall immediately notify the Secretary.

1 (E) IF AN AGENCY FAILS TO MAINTAIN THE REQUIRED FIDELITY BOND OR
2 LIABILITY INSURANCE AS REQUIRED IN THIS SECTION, UPON NOTIFICATION, THE
3 SECRETARY:

4 (1) SHALL SUSPEND THE LICENSE; AND

5 (2) MAY NOT REINSTATE THE LICENSE UNTIL THE AGENCY SUBMITS
6 PROOF OF THE REQUIRED BOND OR INSURANCE TO THE SECRETARY.

7 [(e)] (F) In addition to § 18-504 of this title, a court of competent jurisdiction
8 may enjoin the operation of any employer who violates the requirements of this
9 section.

10 19-304.

11 (a) (1) An applicant for a license shall:

12 (i) submit to the Secretary an application on the form that the
13 Secretary provides;

14 (ii) submit the documents required under this section; and

15 (iii) pay to the Secretary the fees required under subsection (b) of
16 this section.

17 (2) If the applicant is a firm, the representative member shall complete
18 the application form and otherwise be responsible for the firm's compliance with this
19 section.

20 (b) (1) An applicant for a license shall pay to the Secretary an application
21 fee of:

22 (i) \$200, if the applicant is an individual; or

23 (ii) \$375, if the applicant is a firm.

24 (2) (i) As part of the application for a license, the applicant shall
25 submit to the Secretary:

26 1. a complete set of the applicant's legible fingerprints taken
27 on standard fingerprint cards; and

28 2. payment for the cost of the fingerprint card record checks.

29 (ii) If the applicant is a firm, the applicant shall pay the cost of the
30 fingerprint card record checks for each firm member.

31 (c) (1) If the applicant is an individual, the application form provided by the
32 Secretary shall require:

33 (i) the name of the applicant;

- 1 (ii) the age of the applicant;
- 2 (iii) the address of the applicant; and
- 3 (iv) the current and previous employment of the applicant.

4 (2) If the applicant is a firm, the application form provided by the
5 Secretary shall require:

- 6 (i) a list of all of the firm members; and
- 7 (ii) for each firm member, the same information required regarding
8 an individual applicant under paragraph (1) of this subsection.

9 (3) For all applicants, the application form shall require:

10 (i) the address of the applicant's proposed principal place of
11 business and of each proposed branch office;

12 (ii) any trade or fictitious name that the applicant intends to use
13 while conducting the business of the security guard agency;

14 (iii) the submission of a facsimile of any trademark that the
15 applicant intends to use while conducting the business of the security guard agency;
16 and

17 (iv) as the Secretary considers appropriate, any other information to
18 assist in the evaluation of:

- 19 1. an individual applicant; or
- 20 2. if the applicant is a firm, any firm member.

21 (d) The application form provided by the Secretary shall contain a statement
22 advising the applicant that willfully making a false statement on an application is a
23 misdemeanor, subject to a fine or imprisonment or both, as provided under §§ 19-605
24 and 19-607 of this title.

25 (e) (1) If the applicant is an individual, the application form shall be signed,
26 under oath, by the individual.

27 (2) If the applicant is a firm, the application form shall be signed, under
28 oath, by the representative member, as the representative member, [and by all the
29 other firm members] AND SHALL PROVIDE PROOF TO THE SECRETARY THAT THE
30 REPRESENTATIVE MEMBER IS A MEMBER OF THE FIRM.

31 (f) (1) [(i)] If the applicant is an individual, the application shall be
32 accompanied by at least [five written recommendations] THREE NAMES OF
33 INDIVIDUALS WHO CAN ATTEST TO THE CHARACTER of the [individual] APPLICANT.

1 [(ii)] (2) If the applicant is a firm, the application shall be
2 accompanied by at least [five written recommendations of each firm member] THREE
3 NAMES OF INDIVIDUALS WHO CAN ATTEST TO THE CHARACTER OF EACH FIRM
4 MEMBER.

5 [(2) Each recommendation shall be signed, under oath, by a reputable
6 citizen who owns property in the county where the individual applicant or firm
7 member resides or where the business of the security guard agency is to be conducted.

8 (g) An applicant for a license shall submit with the application form a bond in
9 accordance with the requirements of § 19-503 of this title.]

10 [(h)] (G) An applicant for a license who intends to employ at least five
11 individuals as security guards shall submit with the application proof of
12 ~~PROFESSIONAL COMMERCIAL GENERAL~~ liability insurance, INCLUDING ERRORS AND
13 OMISSIONS AND COMPLETED OPERATIONS WITH A \$1,000,000 TOTAL AGGREGATE
14 MINIMUM COVERAGE, as required under § 19-504 of this title.

15 [(i)] (H) In addition to meeting the other requirements of this section, a
16 nonresident applicant shall submit a consent and any related document, as required
17 by § 19-505 of this title.

18 19-306.

19 (a) (1) The Secretary shall issue a license to each applicant who meets the
20 requirements of this subtitle.

21 (2) The Secretary shall issue an agency license certificate to each
22 licensed security guard agency and a branch office certificate for each proposed
23 branch office.

24 (b) (1) The Secretary shall include on each agency license certificate that
25 the Secretary issues:

26 (i) the full name of the licensee;

27 (ii) the location of the principal office and of each branch office of
28 the licensed security guard agency;

29 (iii) the date of issuance of the license;

30 (iv) the date on which the license expires; and

31 (v) the name [and address] of the representative member, if the
32 licensee is a firm.

33 (2) The Secretary shall include on each branch office certificate:

34 (i) the full name of the licensee;

- 1 (ii) the location of the principal office of the licensee and of the
2 agency branch office for which the certificate is issued;
- 3 (iii) the date of issuance of the branch office certificate;
- 4 (iv) the date on which the license of the licensee expires; and
- 5 (v) the name and AGENCY address of the representative member, if
6 the licensee is APPLYING ON BEHALF OF a firm.

7 19-308.

8 (a) By regulation, the Secretary shall stagger the terms of the licenses.

9 (b) Unless a license is renewed for a [2-year] 3-YEAR term as provided in this
10 section, the license expires on the date the Secretary sets.

11 (c) At least 1 month before a license expires, the Secretary shall mail to the
12 licensee, at the last known address of the licensee:

13 (1) a renewal application form; and

14 (2) a notice that states:

15 (i) the date on which the current license expires;

16 (ii) that the Secretary must receive the renewal application and the
17 statements required under § 19-309 of this subtitle, at least 15 days before the license
18 expiration date, for the renewal to be issued and mailed before the license expires;

19 (iii) the amount of the renewal fee;

20 (iv) that, if the statements required under § 19-309 of this subtitle
21 are not received at least 15 days before the license expiration date, a fee of \$10 per
22 day shall be charged against the licensee until the statements are received; and

23 (v) that the submission of a false statement in the renewal
24 application or in the annual statements is cause for revocation of the license.

25 (d) A licensee periodically may renew the license for an additional [2-year]
26 3-YEAR term, if the licensee:

27 (1) otherwise is entitled to be licensed;

28 (2) pays to the Secretary:

29 (i) a renewal fee of:

30 1. \$200, if the licensee is an individual; or

31 2. \$400, if the licensee is a firm; [and]

1 (II) PAYMENT FOR THE COST OF A FINGERPRINT CARD RECORD
 2 CHECK BY THE FEDERAL BUREAU OF INVESTIGATION; AND

3 [(ii)] (III) any late fee required under § 19-309 of this subtitle; and

4 (3) submits to the Secretary:

5 (i) a renewal application on the form that the Secretary provides;

6 [and]

7 (ii) A COMPLETE SET OF THE APPLICANT'S LEGIBLE FINGERPRINTS
 8 TAKEN ON FEDERAL FINGERPRINT CARDS;

9 (III) the statements required under § 19-309 of this subtitle AND
 10 ANY OTHER DOCUMENTATION THAT MAY BE REQUIRED BY THE SECRETARY TO
 11 RENEW THE AGENCY LICENSE UNDER THIS SUBTITLE; AND

12 (IV) TWO PHOTOGRAPHS OF THE APPLICANT IN A FORMAT
 13 APPROVED BY THE SECRETARY.

14 (e) The Secretary shall renew the license of each licensee who meets the
 15 requirements of this section.

16 19-309.

17 (a) As a condition for license renewal, a licensee shall submit to the Secretary
 18 with the renewal application:

19 (1) a certification or, as authorized by the Secretary, other
 20 documentation that the licensed security guard agency has paid, for the past [2] 3
 21 years, all withholding and Social Security taxes;

22 (2) a certification or, as authorized by the Secretary, other
 23 documentation that the licensed security guard agency has paid, for the past [2] 3
 24 years, all other obligations payable for the employees of the licensed security guard
 25 agency to the State or the federal government;

26 (3) a certificate from an insurance carrier or, as authorized by the
 27 Secretary, other documentation showing that the licensed security guard agency has
 28 in effect ~~PROFESSIONAL LIABILITY COMMERCIAL GENERAL AND~~ workers'
 29 compensation insurance for its covered employees, as defined in § 9-101 of the Labor
 30 and Employment Article; and

31 (4) a [receipt] CERTIFICATE from the Comptroller's Office or, as
 32 authorized by the Secretary, other documentation showing that the State income tax
 33 of the licensed security guard agency has been paid for the past [2] 3 years.

34 (b) If the Secretary does not receive the documents required under subsection
 35 (a) of this section at least 15 days before the license expiration date, the Secretary
 36 shall charge the licensee a late fee of \$10 per day until the documents are received.

1 (c) The Secretary may inspect any of the business records of a licensee that
2 relate to any matter that is subject to certification or documentation under this
3 section.

4 19-310.

5 (a) Each licensee shall maintain an office in the State.

6 (b) Each licensee shall keep in an office in the State all files or other records
7 that:

8 (1) are made in the State; and

9 (2) relate to [an investigation] ANY BUSINESS ACTIVITIES in the State.

10 19-311.

11 (a) (1) Within 5 days after the change, a licensee shall submit to the
12 Secretary written notice of:

13 (i) the addition of a branch office; and

14 (ii) any change in the address OR TELEPHONE NUMBER of an
15 existing office.

16 (2) The licensee shall submit with the notice:

17 (i) the agency license certificate; and

18 (ii) if the proposed change affects an existing branch office, the
19 branch office certificate for that office.

20 (3) The Secretary may:

21 (i) endorse the change on the agency license certificate and, if
22 applicable, on the branch office certificate of the affected branch office; or

23 (ii) issue a new agency license certificate and, if applicable, a new
24 branch office certificate, both of which shall set forth the same date as the original
25 agency license certificate.

26 (b) Within 5 days after the occurrence, a firm shall submit to the Secretary
27 written notice of:

28 (1) the withdrawal of any firm member; and

29 (2) the death of any firm member.

1 19-313.

2 (a) Subject to the hearing provisions of § 19-315 of this subtitle, the Secretary
3 may deny a license to any applicant, reprimand any licensee, fine any licensee or
4 agency, or suspend or revoke a license if the applicant or licensee:

5 (1) fraudulently or deceptively obtains or attempts to obtain a license for
6 the applicant or licensee or for another;

7 (2) fraudulently or deceptively uses a license;

8 (3) aids an individual to obtain or to attempt to obtain fraudulently or
9 deceptively certification under this title as a security guard;

10 (4) while not licensed, solicits to engage in or willfully engages in a
11 business providing security guard services in the State;

12 (5) while not licensed, willfully advertises:

13 (i) as a security guard agency; or

14 (ii) the provision of security guard services;

15 (6) willfully makes a false statement or misrepresentation that an
16 individual is or was in the employ of the applicant or licensee;

17 (7) willfully makes a false statement or misrepresentation in any
18 renewal application, in any annual statement, or in any other report or document that
19 the Secretary requires to be submitted;

20 (8) fails to notify the Secretary about any change among the firm
21 members or in the address of the principal office or any branch office of a licensee;

22 (9) [fails to maintain a bond as required by § 19-503 of this title;

23 (10)] fails to maintain the liability insurance required under § 19-504 of
24 this title; or

25 [(11)] (10) violates any other provision of this title ~~OR ANY REGULATION~~
26 ~~ADOPTED BY THE SECRETARY UNDER THIS TITLE.~~

27 (b) For purposes of this section, an act or omission of any principal, agent, or
28 employee of an applicant or licensee may be construed to be the act or omission of the
29 applicant or licensee, as well as of the principal, agent, or employee.

30 19-407.

31 (A) Whenever a security guard is in uniform, the security guard [shall] MAY
32 wear a badge that is:

33 (1) of a design approved by the Secretary; and

1 (2) issued by the licensed security guard agency that employs the
2 security guard.

3 (B) WHENEVER A SECURITY GUARD IS IN UNIFORM, THE SECURITY GUARD
4 SHALL CLEARLY DISPLAY AND WEAR THE CLEARANCE CARD ISSUED BY THE
5 SECRETARY WHICH IDENTIFIES THE SECURITY GUARD.

6 19-502.

7 (a) The offices of each security guard agency shall be supervised by an
8 individual who:

9 (1) [is a resident of the State; and

10 (2)] (i) holds, as an individual, the license of the security guard agency;
11 or

12 (ii) is the representative member of the security guard agency
13 appointed under § 19-302(b) of this title; AND

14 (2) HAS BEEN INVESTIGATED AND APPROVED BY THE SECRETARY
15 UNDER THIS TITLE.

16 (b) If a security guard agency is a firm, the agency shall notify the Secretary
17 about:

18 (1) the identity of the individual serving as the representative member of
19 the agency; and

20 (2) each vacancy in that position.

21 (c) (1) Except as provided in paragraph (2) of this subsection, a security
22 guard agency shall appoint a representative member within 90 days after a vacancy
23 occurs in the position.

24 (2) If the vacancy is caused by the death of or an incapacitating injury to
25 the representative member, the security guard agency shall appoint a replacement
26 within 180 days after the vacancy occurs.

27 (d) If a licensed security guard agency fails to appoint a representative
28 member as required under subsection (c) of this section, the license of the security
29 guard agency:

30 (1) is suspended automatically; and

31 (2) shall remain suspended until the agency complies with the
32 requirements.

33 (e) The Secretary may adopt regulations to carry out this section.

1 [19-503.

2 (a) (1) Subject to this section, an applicant for a license shall execute a bond
3 that is conditioned on the faithful and honest conduct of the applicant and runs to the
4 State for the benefit of any person injured by any wrongful act of the applicant that is
5 willful or malicious.

6 (2) The applicant shall submit the bond to the Secretary with the license
7 application.

8 (b) (1) The amount of the bond required under subsection (a) of this section
9 shall be at least:

10 (i) \$3,000, if the applicant is an individual; or

11 (ii) \$5,000, if the applicant is a firm.

12 (2) The total liability of the surety to all insured persons under the bond
13 may not exceed the penal sum of the bond.

14 (c) A licensee shall keep in effect at all times a bond that meets the
15 requirements of this section.

16 (d) (1) If a licensee's bond is canceled, forfeited, or terminated by the surety,
17 the surety immediately shall notify the Secretary.

18 (2) If a surety fails to notify the Secretary as required by this subsection,
19 the bond shall continue in effect until the notice is given to the Secretary.]

20 19-504.

21 (a) A security guard agency that employs five or more individuals as security
22 guards shall:

23 (1) maintain [general] ~~PROFESSIONAL COMMERCIAL GENERAL~~ liability
24 insurance ~~in an amount not less than \$100,000~~ \$1,000,000, INCLUDING ERRORS AND
25 OMISSIONS COVERAGE AND COMPLETED OPERATIONS WITH A \$1,000,000 TOTAL
26 AGGREGATE MINIMUM; and

27 (2) submit proof of the required insurance to the Secretary.

28 (b) (1) If an applicant for a license intends to employ five or more
29 individuals as security guards, the applicant shall submit proof of the liability
30 insurance required under subsection (a) of this section to the Secretary with the
31 license application.

32 (2) The Secretary may not issue a license to an applicant to whom the
33 insurance requirements of this section would apply unless the applicant submits
34 proof of the insurance.

1 (c) If the insurance required for a security guard agency under this section is
2 canceled, forfeited, or otherwise terminated, both the security guard agency and the
3 insurer shall notify the Secretary.

4 (D) IF A SECURITY GUARD AGENCY FAILS TO MAINTAIN THE LIABILITY
5 INSURANCE REQUIRED UNDER THIS SECTION, THE LICENSE OF THE SECURITY
6 GUARD AGENCY:

7 (1) IS SUSPENDED AUTOMATICALLY;

8 (2) SHALL REMAIN SUSPENDED UNTIL THE AGENCY COMPLIES WITH
9 THE REQUIREMENTS; AND

10 (3) MAY NOT BE REINSTATED UNTIL THE AGENCY SUBMITS PROOF OF
11 THE REQUIRED INSURANCE TO THE SECRETARY.

12 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
13 effect October 1, 2002.